
RULES FOR ASSESSING THE ACCEPTABILITY OF CROWDFUNDING TRANSACTIONS FOR THE INVESTORS

1. GENERAL PROVISIONS

- 1.1. The Rules for Assessing the Acceptability of Crowdfunding Transactions for the Investors (“**Rules**“) of UAB Crowdpear (“**Company**“) determines the processes followed by the Company in assessing the acceptability of specific crowdfunding transactions for the Investors.
- 1.2. The Manager of the Company appoints the persons responsible for the implementation of the functions provided for in the Rules, approves, implements and supports the appropriate and effective measures, processes and methods ensuring the implementation of the Rules in the Company's activities.
- 1.3. The Rules have been prepared in accordance with the Law, the Rules for Assessing the Acceptability of Financing Transactions of Crowdfunding Platform Operators for the Investors and Reliability of Project Owners approved by the Resolution No. 03-169 of the Board of the Bank of Lithuania of 29 November 2016 and other legislation applicable to the Company.

2. DEFINITIONS

- 2.1. Unless the context requires otherwise, the capitalized definitions in the present Rules have the following meanings:
 - 2.1.1. **Company** – UAB Crowdpear, code of legal entity 305888586, seat address: Kareiviu g. 11B, Vilnius;
 - 2.1.2. **Investor** – the client of the Company seeking to finance the Project published on the Platform through the Platform;
 - 2.1.3. **Law** – the Law on Crowdfunding of the Republic of Lithuania;
 - 2.1.4. **Platform** - the crowdfunding platform administered by the Company and used for crowdfunding;
 - 2.1.5. **Project** - the project prepared and published on the Platform for business, professional, scientific, research and other needs, except for consumption, for which the Project Owner seeks to attract crowdfunding funds from the Investors;
 - 2.1.6. **Project Owner** – the client of the Company who initiates and announces the Project to the Investors through the Platform;
 - 2.1.7. **Rules** – the present document.
- 2.2. Other definitions used in the Rules are understood as they are defined in the Law on Crowdfunding of the Republic of Lithuania and other legislation applicable to the Company's activities, unless this Section of the Rules defines otherwise.

3. ASSESSMENT OF THE ACCEPTABILITY OF CROWDFUNDING TRANSACTION FOR THE INVESTORS

- 3.1. Prior to enabling the Investor to conclude a specific type of crowdfunding transaction through the Platform for the first time, the Company must ask the Investor to provide information about its knowledge and experience and to perform an assessment of the acceptability of the type of crowdfunding transaction (investment in loans or financial instruments) to the Investor.
- 3.2. During the assessment of the acceptability of a specific type of crowdfunding transaction to the Investor, the Company requests the Investor to provide information about its knowledge and experience in the field of investment related to the type of crowdfunding transaction planned to be concluded. For this purpose, the Company submits the questionnaire prepared by the Company on the acceptability of the crowdfunding transaction to the Investor in accordance with the form set out in the Annex to the Rules (“**Questionnaire**“) to the Investor to fill in. The Company submits a Questionnaire to the Investor to fill in electronically on the Platform's website using the Platform's technical solution.

- 3.3. Each question in the Questionnaire has possible optional answers. Each answer is assigned a certain number of points. If the Investor scores at least 19 points, it is considered that the type of financing transaction is acceptable to the Investor.
- 3.4. By taking into account the Investor's characteristics, the nature and scale of the planned service, the type of crowdfunding transaction expected, including its degree of complexity and inherent risk, the Company requests at least the following information from the Investor:
 - 3.4.1. Types of services, transactions or financial instruments with which the Investor is familiar;
 - 3.4.2. The amount and frequency of the financed transaction and the period during which these transactions were made;
 - 3.4.3. The education of the Investor, his/her current and previous occupation.
- 3.5. By taking into account the information received from the Investor, the Company must assess whether a specific type of crowdfunding transaction is acceptable for the Investor (the corresponding assessment is carried out automatically using the technical solution of the Platform, after the Investor has completed the questionnaire provided in the Annex to the Rules):
 - 3.5.1. If, after carrying out an assessment of the acceptability of a specific type of crowdfunding transaction to the Investor, it is determined that this type of crowdfunding transaction is acceptable to the Investor, the Platform allows the Investor to enter into a corresponding crowdfunding transaction. The Investor is also notified that it has successfully evaluated the acceptability of the type of crowdfunding transaction to the Investor and the Company has determined that the relevant transaction is acceptable to the Investor, therefore the Investor is given the opportunity to provide the financing for the Projects published on the Platform (the relevant notification is provided electronically on the Platform immediately after filling in the automatically calculated results of the questionnaire provided in the Annex to the Rules);
 - 3.5.2. If, after carrying out an assessment of the acceptability of a specific type of crowdfunding transaction to the Investor, it is determined that this type of crowdfunding transaction is not acceptable to the Investor, the Company generates a notification to the Investor automatically that the Investor has unsuccessfully assessed the acceptability of the type of crowdfunding transaction to the Investor (i. e., the Company assesses the Investor's knowledge and experience as insufficient for the conclusion of the relevant crowdfunding transaction) and that the respective transaction is not acceptable to the Investor. therefore, the Investor must familiarize itself with the risks associated with the Financing transaction to use the Platform and provide financing for the Projects published on it (the relevant notification is provided electronically on the Platform immediately after filling in the automatically calculated results of the questionnaire provided in the Annex to the Rules; the description of the risks is also provided and the Investor is required to confirm that the Investor has familiarized itself with the relevant risks and still wishes to enter into financing transactions on the Platform).
- 3.6. If the Investor refuses to provide the Company with the information requested by the Company or provides insufficient information about its knowledge and experience in the field of concluding a specific type of crowdfunding transaction, the Company must warn the Investor in the manner provided in Clause 3.5.2 of the Rules that the Investor's refusal to provide the necessary information or not providing all the necessary information prevents the Company from determining whether a specific type of crowdfunding transaction is suitable for the Investor, present the risks related to the financing transaction and obtain the confirmation from the Investor that it is familiar with them and wishes to enter into a financing transaction.
- 3.7. In assessing the acceptability of a specific type of crowdfunding transaction to the Investor, the Company follows the information provided by the Investors, except in cases where the Company has reasonable suspicions that the relevant information is obviously outdated, inaccurate or incomplete. In such cases, the Company must warn the Investor in the manner provided in Clause 3.5.2 of the Rules that its provided information prevents the Company from determining whether a specific type of crowdfunding transaction is suitable for the Investor, present the risks related to the financing transaction and obtain the confirmation from the Investor that it is familiar with them and wishes to enter into a financing transaction.
- 3.8. If the Investor is an informed investor, it is not subject to the requirements set forth in this Section of the Rules. In this case, the Investor must provide the Company with information confirming that it is considered an informed investor as defined in the applicable legislation.

- 3.9. The Company follows the information provided by the Investors, except in cases where the Company is aware that the information is obviously outdated, inaccurate or incomplete.
- 3.10. The company is obliged to store the information, data and documents collected (assessed) during the assessment of the acceptability of the type of crowdfunding transaction to the Investor (including the Questionnaire filled in by the Investor that is saved in the Company's data storage system electronically after the filling in and approval) for 10 years after receiving them, unless other legislation regulating the legal protection of personal data and the storage of documents establish a longer period for the storage of documents.

4. FINAL PROVISIONS

- 4.1. The present Rules enter into force from the date of their approval and may be amended or canceled only by the decision of the Manager of the Company. After these Rules are amended, their latest version is published on the Platform.
- 4.2. The Manager of the Company or a person authorized by his/her decision is responsible for the implementation and compliance with these Rules.
- 4.3. The Manager of the Company or his/her authorised person reviews whether the requirements for evaluating the acceptability of the type of crowdfunding transaction for the Investor established in these Rules are sufficiently effective periodically, but at least once a year.